

- Allows \$1.175 billion in the Federal Emergency Management Agency's (FEMA) Hazard Mitigation Grant Program (HMGP), previously made available to the State of Louisiana, to be made available under Louisiana's Road Home Program (which combines CDBG and HMGP funds). FEMA has not permitted the release of such funds because of certain features of the Road Home Program.
- Requires Louisiana to report monthly on the use of such funds.
- Requires the Government Accountability Office (GAO) to report quarterly on the use of the transferred funds above, to identify any waste, fraud, or abuse, and to certify anytime such waste, fraud, and abuse exceeds 10% of funds expended. GAO would have to make recommendations to prevent further waste, fraud, and abuse.
- Transfers \$15 million of unexpended CDBG funds previously made available to the state of Louisiana to the New Orleans Redevelopment Authority, for a **new pilot program** to blend private and public capital to acquire (from willing sellers), assemble, redevelop, and re-sell parcels of land in New Orleans. Removes Stafford Act restrictions on the use of properties acquired with disaster-relief funds.
- Allows all CDBG supplemental funds to be used as a state-match for other federal programs (including FEMA), and allows localities that use CDBG funds in this way to rely on FEMA environmental reviews instead of completing a separate environmental review for Department of Housing and Urban Development (HUD) purposes.
- Authorizes appropriations ("such sums") from previously appropriated FEMA funds for 2005 hurricane relief for the reimbursement of regular CDBG funds that cities or counties used to provide rental assistance for evacuees from Hurricanes Katrina, Rita, Wilma, and/or Dennis.

Title II: Public Housing

- Directs HUD to provide for the conducting of a survey by an independent entity or organization of public housing residents residing in the Housing Authority of New Orleans (HANO) public housing units when Hurricane Katrina made landfall (August 29, 2005), to determine whether (and when) they want to return to HANO public housing or continue to receive federal rental housing assistance elsewhere.
- Requires HANO to make available for occupancy by August 1, 2007, the greater of 3,000 public housing units (or comparable units with comparable rent burden) or the number of units to accommodate residents who said in the survey above that they want to return. HANO residents who were there on August 28, 2005, would have a right to return to a HANO public housing unit (or comparable unit), as long as they file notice by August 1, 2007, and identify a move-in date of not later than October 1, 2007. Returning residents would have to be given preference of location in the same housing project in which they were living—or, if the prior is not available, the same census tract—of, if the prior is not

available, the neighboring census tract—or, if the prior is not available, the same neighborhood.

- HANO could not deny residence to a returning resident (except if some other federal law prevents occupancy) and would have to provide relocation assistance (consistent with current law).
- Prohibits HANO from demolishing or disposing of any public housing unit (including uninhabitable units and units approved for demolition) absent a plan to replace such units with comparable units, involving local stakeholders, allowing for right-of-return (as above), and furthering fair housing under the Civil Rights Act of 1968. HUD would have to directly monitor and supervise the enforcement of these requirements.
- Prohibits any public housing authority (PHA) in areas affected by Hurricanes Katrina or Rita from transferring ownership of any public housing units for a period of two years, unless the buyer agrees to maintain existing affordability provisions for “the longest feasible period” (not defined). Then applies similar restrictions (including a replacement plan and right-of-return) to demolishing or disposing of any public housing unit in non-HANO areas affected by Hurricanes Katrina and Rita.
- Authorizes “such sums as may be necessary” for repairing, rehabilitating, and developing HANO public housing units, and for providing community and supportive services for HANO residents.
- Requires HUD to report to Congress (within 30 days and then quarterly thereafter) on compliance with the provisions of this title.
- Requires any entity that receives funds under this title for construction, development, rehabilitation, or repair of public housing units verify that all workers employed by such entity and engaged in such activity have an immigration status that allows them to legally be employed and have a valid ID or documentation indicating such immigration status.

Title III: Disaster Voucher Program and Project-Based Rental Assistance

- Extends the expiration date of HUD’s Disaster Voucher Program (DVP) from September 30, 2007 to January 1, 2008. The DVP program provides rental assistance to families living in areas impacted by Hurricanes Katrina and Rita who were voucher holders, public housing residents, families assisted under the Section 8 project-based program, and/or homeless persons at the time of the hurricane. The Democrat staff of the Financial Services Committee writes that, “This extension will give time to work through DVP transition issues through the FY 2008 appropriations bill process.”
- Requires HUD to make appropriate adjustments under the most recent FY2007 Continuing Resolution to provide full Section 8 (tenant-based rental) voucher funding for public housing agencies impacted by Hurricanes Katrina, Rita, and Wilma. (Reportedly, HUD believed such adjustments were discretionary.)

- Provides that a project-based housing assistance payment contract for a covered multifamily housing project could not be terminated because of damage to the project by Hurricane Katrina or Rita. The expiration of such contracts would be the later of the actual contract date or at least three months after the dwelling units (or replacement units somewhere else) are habitable.
- Requires HUD to promptly review and approve all feasible proposals to restore Section 8 project-based assistance to multifamily housing projects damaged by Hurricanes Katrina or Rita, including proposals to transfer the contract to another site or owner. Proposals would have to be submitted to HUD no later than October 1, 2007. Provides for the transfer of certain Section 8 contracts.
- Authorizes “such sums as may be necessary” for FY2008 to provide tenant replacement vouchers for all public housing units and assisted housing units in the Hurricane Katrina and Rita areas that are not put back into use for occupancy.
- Authorizes “such sums as may be necessary” to provide 4,500 new housing vouchers for project-based rental assistance for supportive housing units for the elderly, disabled persons, and homeless people. 3,000 of these vouchers would be earmarked for Louisiana (or its designee), upon its request.
- Provides “such sums” so that, upon the termination of the DVP (see above), vouchers can still be made available for families in the DVP program from the local housing agency in which each family is living at the time. If a family becomes ineligible for voucher assistance, this transferred voucher assistance would terminate for such family.
- Requires HUD to make “a good faith effort” (not defined) to identify all households eligible for DVP assistance that are not currently receiving such assistance and notify them of their eligibility or of their right, if available, to return to their previous public housing unit.

Title IV: Damages Arising from FEMA Actions

- Authorizes “such sums as may be necessary” for HUD to reimburse landlords who participated in FEMA’s city lease program for actual, documented damages incurred by such landlord as a result of FEMA’s “abrogation” of commitments to reimburse communities for leases entered into under such program.

Title V: FHA Single Family Housing

- Prohibits HUD, in the case if any property consisting of one-to-four-family residences that is subject to a mortgage insured by the Federal Housing Authority (FHA) and was damaged or destroyed by Hurricane Katrina or Rita, from denying conveyance of the property title to HUD or from denying or reducing payment of the insurance benefits, as long as there was no failure on the part of the mortgagee or servicer to provide the

required hazard insurance coverage. Full insurance benefits could be paid, even if the property is not suitable for conveyance.

Title VI: Fair Housing Enforcement

- Authorizes such sums as may be necessary in FY2008 and FY2009 (yet not less than \$5 million per year) for fair housing activities in areas affected by Hurricanes Katrina and Rita. If the total amount appropriated to carry out fair housing activities for either FY2008 or FY2009 is less than \$50 million, then at least 5% of the total amount for the fiscal year would have to be available for the Hurricanes Katrina and Rita areas.

Title VII: Improved Distribution of Federal Hurricane Housing Funds for Hurricane Relief

- Requires GAO to study and report to Congress, within 6 months of this bill's enactment, on methods of improving the distribution of federal housing funds to assist states covered by this legislation with recovery from hurricanes. The bill includes seven matters that the GAO report would have to address, including program requirements that can be streamlined and recommendations for reducing the duplication of benefits.

Title VIII: Commending Americans for Their Rebuilding Efforts

- Expresses a congressional commendation of “the actions and efforts by the remarkable individuals and organizations who contributed to the hurricane relief efforts” and of “the selfless dedication of private individuals and community spirit” in rebuilding the Gulf Coast region.
- This title also lists eight related findings, including:
 - “over 500,000 individuals in the United States have volunteered their time in helping rebuild the Gulf Coast region in the aftermath of Hurricane’s Katrina and Rita;
 - “over \$3,500,000,000 in cash and in-kind donations have been made for hurricane victims;
 - “over 10,000,000 college students have devoted their spring and fall breaks to hurricane relief efforts;
 - “faith-based organizations, such as Jewish Family Services, Lutheran Disaster Response, the United Methodist Committee on Relief, Presbyterian Disaster Assistance, the National Baptist Convention of America, Inc., the Progressive National Baptist Convention, the Southern Baptist Convention, and the African Methodist Episcopal Church have contributed tens of thousands of man-hours for hurricane relief; and
 - “community-based organizations, such as the Boys and Girls Club of America, Junior League, Boy and Girl Scouts of America, and the YMCA, have had thousands of members volunteer with the cleanup in the Gulf States.”

Additional Background: Congress has already provided nearly \$16.5 billion specifically for housing assistance in the 2005 Gulf Coast Hurricane areas.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: The Financial Services Committee, in House Report 110-51, notes that, “H.R. 1227 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI.”

Constitutional Authority: The Financial Services Committee, in House Report 110-51, cites constitutional authority in Article I, Section 8, Clause 1 (relating to the general welfare of the United States) and Clause 3 (relating to the power to regulate interstate commerce).

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